(c) To encourage induction of FDI, the Government has already allowed foreign equity participation upto 100%, in the textile sector.

Additional Investment in Textile Industry

†2526. SHRI RAJIV RANJAN SINGH 'LALAN':
SHRI RAM JETHMALANI:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that N.K. Singh Committee has advised for additional investment of Rs. 98,550 crore in Textile Industry in order to achieve the export target of the Industry;

(b) if not, the details of the amount;

(c) whether any efforts have been made so far by Government for the investment of the amount; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) Yes, Sir.The N.K. Singh Committee has estimated a credit requirement for investment and growth of India Textile Industry to the tune of Rs. 98,550 crore.

(b) Doesn't arise.

(c) and (d) The efforts made by to encourage investment in textile industry include:

(i) Introduction of Technology Upgradation Fund Scheme (TUFS) to facilitate modernisation and upgradation of textile sector.

(ii) Completion of CENVAT chain in entire Textile Value Chain with simultaneous rationalization of excise duty on fibres, yarn fabric/ made-ups and readymade garments (RMG) in Union Budget 2003-04.

(iii) Concessional rate of import duty of 5% on specified textile machinery.

(iv) Dereservation of woven readymade garment from SSI sector.

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†Original notice of the question was received in Hindi.

(v) Development of apparel parks for production and export of garments.

(vi) Launch of Cotton Technology Mission for boosting production and quality of cotton.

(vii) Allowing foreign equity participation upto 100% through automatic route in this sector with certain exceptions.

(viii) Rationalisation of Duty Entitlement Pass Book Scheme (DEPB) rates for certain textile products.

Talks with EU regarding Textile Exports

2527. DR, T. SUBBARAMI REDDY:
SHRIMATI AMBIKA SONI:

Will the Minister of TEXTILES be pleased to state:

(a) whether during bilateral talks with the European Union representatives in Brussels on 7th May, the Textile Secretary expressed serious concern on proposals for generalised system of preference scheme which has adversely affected Indian textile exports to the EU vis-a-vis those from Pakistan;

(b) if so, the other concerns expressed by the Indian official delegation during the talks; and

(c) to what extent India's point of view was considered and whether any settlement has been found in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) to (c) Yes, Sir. During these bilateral talks, Indian side expressed concern at the suspension by the European Union (EU) of customs duties for ready-made garments and made-up articles originating from Pakistan under the special tariff arrangements to combat drug production and trafficking of its new Generalised System of Preference (GSP) Scheme operative from 1.1.2002, which were adversely affecting India's exports of these items to the EU. In addition, the Indian side also raised issues relating to market access and the implementation of World Trade Organisaiton (WTO) Agreement on Textile & Clothing. EC side agreed to look at the concerns raised by India.